

**A RESOLUTION
BY THE FINANCE /EXECUTIVE COMMITTEE,
AS SUBSTITUTED BY FULL CITY COUNCIL**

A RESOLUTION TO SPECIFY THE PRINCIPAL AMOUNT TO MATURE IN EACH YEAR AND THE OPTIONAL AND MANDATORY REDEMPTION PROVISIONS OF THE SERIES 2003RF-D BONDS BEING ISSUED PURSUANT TO THE SIXTH SUPPLEMENTAL BOND ORDINANCE ADOPTED ON NOVEMBER 17, 2003 (03-O-1871); TO DECLARE THE RESULT OF THE PUBLIC OFFERING OF SAID BONDS; TO AUTHORIZE, RATIFY AND REAFFIRM THE ACCEPTANCE OF THE BEST BID TO PURCHASE SAID BONDS; TO PROVIDE FOR BOND INSURANCE AND A RESERVE ACCOUNT CREDIT POLICY; TO PROVIDE FOR THE DELIVERY OF THE SERIES 2003RF-D BONDS; TO PROVIDE FOR THE APPLICATION OF THE PURPOSES: \$118,270,000 AIRPORT GENERAL REVENUE REFUNDING BONDS SERIES 2003 RF-D

RESOLUTION

**ADOPTED DECEMBER 8, 2003
BY THE CITY COUNCIL OF THE CITY OF ATLANTA
PROVIDING FOR THE ISSUANCE OF**

A RESOLUTION TO SPECIFY THE PRINCIPAL AMOUNT TO MATURE IN EACH YEAR AND THE OPTIONAL AND MANDATORY REDEMPTION PROVISIONS OF THE SERIES 2003RF-D BONDS BEING ISSUED PURSUANT TO THE SIXTH SUPPLEMENTAL BOND ORDINANCE ADOPTED ON NOVEMBER 17, 2003 (03-O-1871); TO DECLARE THE RESULT OF THE PUBLIC OFFERING OF SAID BONDS; TO AUTHORIZE, RATIFY AND REAFFIRM THE ACCEPTANCE OF THE BEST BID TO PURCHASE SAID BONDS; TO PROVIDE FOR BOND INSURANCE AND A RESERVE ACCOUNT CREDIT POLICY; TO PROVIDE FOR THE DELIVERY OF THE SERIES 2003RF-D BONDS; TO PROVIDE FOR THE APPLICATION OF THE PROCEEDS OF THE SERIES 2003RF-D BONDS; AND FOR OTHER PURPOSES: \$118,270,000 AIRPORT GENERAL REVENUE REFUNDING BONDS SERIES 2003 RF-D

WHEREAS, pursuant to the Sixth Supplemental Bond Ordinance adopted on November 17, 2003 (the "Sixth Supplemental Bond Ordinance") by the Council of the City of Atlanta (the "City Council"), the City Council has authorized the issuance by the City not to exceed \$150,000,000 aggregate principal amount of its Airport General Revenue Refunding Bonds, Series 2003 RF-D (the "Series 2003RF-D Bonds"), to be dated not later than the date of issuance and delivery, to be initially issued as book-entry only bonds in fully registered form without coupons, transferable to subsequent owners as therein provided, in the denomination of \$5,000 or any integral multiple thereof, numbered from R-1 upwards, bearing interest from date at a rate or rates not exceeding 6 percent per annum, all interest payable July 1, 2004 and semiannually thereafter on January 1 and July 1 in each year, and the principal maturing on January 1 in the years 2006 through 2019, in such principal amounts such that the maximum annual principal and interest requirements on the Series 2003RF-D Bonds shall not exceed \$20,042,200; and

WHEREAS, the City has caused an Official Notice of Sale (the "Notice of Sale") to be published electronically on www.ideal.com, and a listing of the competitive sale of the Series 2003RF-D Bonds was placed in the forward competitive calendar published by *The Bond Buyer*, a financial newspaper of general circulation throughout the United States, to solicit bids from securities dealers interested in purchasing all, but not part, of the not to exceed \$150,000,000 aggregate principal amount of the Series 2003RF-D Bonds; and

WHEREAS, pursuant to authority granted in the Sixth Supplemental Bond Ordinance, the Airport, in consultation with the City's financial advisor and the Chief Financial Officer of the City, did on December 8, 2003 receive bids pursuant to the aforesaid Notice of Sale for all of the Series 2003RF-D Bonds as described in the Notice of Sale and did accept the bid of Lehman Brothers Inc. (the "Winning Bidder") for all, but not part, of the not to exceed \$150,000,000 aggregate principal amount of Series 2003RF-D Bonds authorized to be issued pursuant to the Sixth Supplemental Bond Ordinance, the same being the lowest and best bid; and

WHEREAS, the City wishes to ratify and reaffirm the acceptance by the City of the bid of the Winning Bidder and to proceed with the authorization of the sale of the Series 2003RF-D Bonds and to provide for their delivery in accordance with the terms of the Notice of Sale; and

WHEREAS, the rates of interest offered by the Winning Bidder do not exceed the maximum rate of interest for any year over the life of the Series 2003RF-D Bonds as set forth in the Sixth Supplemental Bond Ordinance, the maximum annual principal and interest requirements on the Series 2003RF-D Bonds at such rates do not exceed \$20,042,200, and the Series 2003RF-D Bonds shall bear interest from date at the rates per annum hereinafter set forth, and the sale of the Series 2003RF-D Bonds at such prices will provide the City with sufficient funds to refund the Refunded Bonds as set forth in the Sixth Supplemental Bond Ordinance; and

WHEREAS, it was provided in the Sixth Supplemental Bond Ordinance authorizing the issuance of the Series 2003RF-D Bonds that, subsequent to the sale of the Series 2003RF-D Bonds, the City would adopt a supplemental resolution specifying, among other things, the interest rate or rates per annum which the Series 2003RF-D Bonds would bear, the principal amount of Series 2003RF-D Bonds to mature in each year, the optional and mandatory sinking fund redemption provisions applicable to the Series 2003RF-D Bonds, would set forth the terms of any bond insurance policy and debt service reserve insurance policy to be issued in connection with the issuance of the Series 2003RF-D Bonds, would provide for the application of the proceeds of the Series 2003RF-D Bonds and would provide for the actual issuance and delivery of the Series 2003RF-D Bonds upon payment therefor by the purchaser thereof; and

WHEREAS, the Series 2003RF-D Bonds should now be executed, issued and delivered.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Atlanta, and it is hereby resolved by authority of the same, as follows:

Section 1.1 Definitions. Capitalized terms used in this Resolution and not otherwise defined herein are used with the meanings assigned to such terms by the Sixth Supplemental Bond Ordinance, (03-O-1871) and the Bond Ordinance (as defined in the Sixth Supplemental Bond Ordinance).

In accordance with the Sixth Supplemental Bond Ordinance, the following terms are defined as follows:

“Reserve Policy Agreement” means the Debt Service Reserve Fund Policy Agreement to be dated as of December 18, 2003, between the City and the Series 2003RF-D Reserve Policy Provider.

“Series 2003RF-D Bond Insurance Policy” shall mean the insurance policy issued by the Series 2003RF-D Bond Insurer guaranteeing the scheduled payment of principal of and interest on the Series 2003RF-D Bonds when due.

“Series 2003RF-D Bond Insurer” shall mean Financial Guaranty Insurance Company, or any successor thereto or assignee thereof.

“Series 2003RF-D Reserve Policy” means the municipal bond debt service reserve fund policy issued by the Series 2003RF-D Bond Insurer relating to the Series 2003RF-D Bonds.

"Series 2003RF-D Reserve Policy Provider" shall mean Financial Guaranty Insurance Company, or any successor thereto or assignee thereof.

Section 1.2 Issuance of Series 2003RF-D Bonds. There are hereby authorized to be issued pursuant to the Sixth Supplemental Bond Ordinance \$118,270,000 aggregate principal amount of Airport General Revenue Refunding Bonds, Series 2003 RF-D. The Series 2003RF-D Bonds shall be dated as of December 1, 2003, be numbered from R-1 upward, shall be initially issued in book-entry only form as fully-registered bonds without coupons, shall bear interest from date at the rate per annum set forth below opposite each principal maturity, all interest payable July 1, 2004 and semiannually thereafter on January 1 and July 1 in each year, and shall mature on January 1 in the following years and amounts:

| Year | Amount | Rate | Year | Amount | Rate |
|------|--------------|-------|------|--------------|--------|
| 2007 | \$ 2,000,000 | 5.00% | 2014 | \$10,965,000 | 5.25 % |
| 2008 | 8,130,000 | 5.00 | 2015 | 11,545,000 | 5.25 |
| 2009 | 8,535,000 | 5.00 | 2016 | 12,145,000 | 5.25 |
| 2010 | 8,960,000 | 5.00 | 2017 | 12,790,000 | 5.25 |
| 2011 | 9,405,000 | 5.25 | 2018 | 13,460,000 | 4.375 |
| 2012 | 9,900,000 | 5.25 | 2019 | 15,000 | 4.75 |
| 2013 | 10,420,000 | 5.25 | | | |

Section 1.3 Optional Redemption of Series 2003RF-D Bonds. The Series 2003RF-D Bonds maturing January 1, 2015 and thereafter may be redeemed at the option of the City in whole or in part at any time in any year not earlier than January 1, 2014, from any moneys which may be available for such purpose and deposited with the Paying Agent on or before the date fixed for redemption. The optional redemption of Series 2003RF-D Bonds shall be made by the payment of the principal amount of the Series 2003RF-D Bonds to be redeemed and accrued interest thereon to date of redemption, at par without a premium. If the Series 2003RF-D Bonds are called for optional redemption in part, then any Series 2003RF-D Bonds so called for redemption shall be called in such maturities as may be specified by the City and if less than a full maturity by lot or in such other manner as may be designated by the Bond Registrar.

Section 1.4 [Reserved.]

Section 1.5 Provisions Relative to Redemption. If less than all of the Series 2003RF-D Bonds of a single maturity are to be redeemed, the Bond Registrar shall treat any Series 2003RF-D Bond of such maturity outstanding in a denomination of greater than \$5,000 principal amount as two or more separate Series 2003RF-D Bonds in the denomination of \$5,000 each and shall assign separate numbers to each for the purpose of determining the Series 2003RF-D Bonds or the portion of such Series 2003RF-D Bonds in a denomination greater than \$5,000 to be redeemed by lot. With respect to any Series 2003RF-D Bond called for partial redemption, the registered owner thereof shall surrender such Series 2003RF-D Bond to the Bond Registrar in exchange for one or more Series 2003RF-D Bonds in the denomination of \$5,000 principal amount or any integral multiple thereof in the aggregate equal to the unredeemed principal amount of such Series 2003RF-D Bond so surrendered. The Bond Registrar shall furnish to the City on or before the sixty-fifth day next preceding each mandatory redemption date (or optional redemption date if such option is exercised) with its certificate

setting forth the Series 2003RF-D Bonds that have been selected for mandatory redemption (or optional redemption) either in whole or in part on such date. Not less than 30 days and not more than 60 days before any date upon which any such redemption is to be made a notice of redemption signed by a duly authorized signatory of the Bond Registrar designating the Series 2003RF-D Bonds to be redeemed (in whole or in part) shall be mailed, postage prepaid, to all registered owners of the Series 2003RF-D Bonds to be redeemed (in whole or in part) at addresses which appear upon the bond registration book as of the date of giving such notice. It is expressly provided, however, that the failure so to mail any such notice of the optional or mandatory redemption of the Series 2003RF-D Bonds shall not affect the validity of the proceedings for such redemption or cause the interest to continue to accrue on the principal amount of the Series 2003RF-D Bonds so designated for redemption after the redemption date.

The redemption of the Series 2003RF-D Bonds shall be in accordance with the provisions of Article III of the Master Bond Ordinance. The Series 2003RF-D Bonds may be made subject to Conditional Redemption as provided in Section 305 of the Master Bond Ordinance. Notice having been given in the manner and under the conditions hereinabove provided, the Series 2003RF-D Bonds so designated for redemption shall, on the redemption date designated in such notice, become and be due and payable at the redemption price hereinabove specified, and from and after the date of redemption so designated, unless default shall be made in the payment of the Series 2003RF-D Bonds so designated for redemption, interest on the Series 2003RF-D Bonds so designated for redemption shall cease to accrue after the redemption date.

Section 1.6 Acceptance of Winning Bid. The City hereby accepts and approves the offer of Lehman Brothers Inc. to purchase the Series 2003RF-D Bonds pursuant to the terms and conditions set forth in the Official Notice of Sale circulated by the City and in the electronic bid form submitted by Lehman Brothers Inc., a copy of which is attached hereto, marked Exhibit A and made a part hereof. The City hereby ratifies and reaffirms all actions heretofore taken by the City Finance Officer in connection with the offer and sale of the Series 2003RF-D Bonds for and on behalf of the City.

Section 1.7 Series 2003RF-D Bond Insurance Policy. The Mayor and the Municipal Clerk are hereby authorized and directed to purchase the Series 2003RF-D Bond Insurance Policy which shall constitute a Credit Facility with respect to the Series 2003 RF-D Bonds. The following provisions shall apply with respect to the Series 2003RF-D Bonds so long as the Series 2003RF-D Bond Insurance Policy is in full force and effect:

(a) (1) Within 120 days after the end of each Fiscal Year, the budget for the Airport for the succeeding year, the annual audited financial statements for the Airport for the preceding Fiscal Year, a statement of the amount on deposit in the Debt Service Reserve Account as of the last valuation, and, if not presented in the audited financial statements, a statement of the Net General Revenues in each such Fiscal Year;

(2) The Official Statement or other disclosure document, if any, prepared in connection with the issuance of additional debt secured by General Revenues, whether or not it is on parity with the Series 2003RF-D Bonds, within 30 days after the sale thereof;

(3) Notice of any drawing upon or deficiency due to market fluctuation in the amount, if any, on deposit in the Debt Service Reserve Account;

(4) Notice of the redemption, other than mandatory sinking fund redemption, of any of the Series 2003RF-D Bonds, or of any advance refunding of the Series 2003RF-D Bonds, including the principal amount, maturities, and CUSIP numbers thereof;

(5) Simultaneously with the delivery of the annual audited financial statements:

(A) annual traffic data:

(i) number of enplanements/deplanements, and

(ii) number of airlines operating and percentage of enplanements/deplanements which each comprises;

(B) number and names of airlines which maintain maintenance facilities at the Airport;

(C) current landing fee rates (\$/1000 lb.);

(D) aggregate of terminal rentals paid by airlines serving the Airport;
and

(E) expansion and improvement projects planned or undertaken since last reporting date; and

(6) A full transcript of all proceedings relating to the adoption of any Supplemental Ordinance; and

(7) Such additional information as the Series 2003RF-D Bond Insurer may reasonably request from time to time.

(b) Notice of any redemption of Series 2003RF-D Bonds shall either (1) explicitly state that the proposed redemption is conditioned on there being on deposit in the applicable fund or account on the redemption date sufficient money to pay the full redemption price of the Series 2003RF-D Bonds to be redeemed, or (2) be sent only if sufficient money to pay the full redemption price of the Series 2003RF-D Bonds to be redeemed is on deposit in the applicable fund or account.

(c) (1) In determining whether a payment default has occurred or whether a payment on the Series 2003RF-D Bonds has been made under the Bond Ordinance, no effect shall be given to payments made under the Series 2003RF-D Bond Insurance Policy.

(2) Any acceleration of the Series 2003RF-D Bonds or any annulment thereof shall be subject to the prior written consent of the Series 2003RF-D Bond Insurer (if it

has not failed to comply with its payment obligations under the Series 2003RF-D Bond Insurance Policy).

(3) The Series 2003RF-D Bond Insurer shall receive immediate notice of any payment default and notice of any other default known to the Paying Agent or the City within 30 days of the Paying Agent's or the City's knowledge thereof.

(4) For all purposes of Article VII of the Bond Ordinance, except the giving of notice of default to Bondholders, the Series 2003RF-D Bond Insurer shall be deemed to be the sole holder of the Series 2003RF-D Bonds it has insured for so long as it has not failed to comply with its payment obligations under the Series 2003RF-D Bond Insurance Policy.

(5) The Series 2003RF-D Bond Insurer shall be entitled to (A) notify the City, the Paying Agent, or any applicable receiver of the occurrence of an Event of Default and (B) request the receiver to intervene in judicial proceedings that affect the Series 2003RF-D Bonds or the security therefor. The Paying Agent or receiver shall accept notice of default from the Series 2003RF-D Bond Insurer.

(d) Any Supplemental Ordinance other than a Supplemental Bond Ordinance shall be subject to the prior written consent of the Series 2003RF-D Bond Insurer. Any Rating Agency must receive notice of each such Supplemental Ordinance and a copy thereof at least 15 days in advance of its adoption.

(e) Only cash, direct non-callable obligations of the United States of America, and securities fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, to which direct obligation or guarantee the full faith and credit of the United States of America has been pledged, Refcorp interest strips, CATS, TIGRS, STRIPS, or defeased municipal bonds rated AAA by S&P or Aaa by Moody's (or any combination of the foregoing) shall, if otherwise permitted under the terms of the Bond Ordinance, be used to effect defeasance of the Series 2003RF-D Bonds unless the Series 2003RF-D Bond Insurer otherwise approves. In the event of an advance refunding, the City shall cause to be delivered a verification report of an independent nationally recognized certified public accountant. If a forward supply contract is employed in connection with the refunding, (1) such verification report shall expressly state that the adequacy of the escrow to accomplish the refunding relies solely on the initial escrowed investments and the maturing principal thereof and interest income thereon and does not assume performance under or compliance with the forward supply contract, and (2) the applicable escrow agreement shall provide that in the event of any discrepancy or difference between the terms of the forward supply contract and the escrow agreement, the terms of the escrow agreement shall be controlling.

(f) If, on the third day preceding any Interest Payment Date for the Series 2003RF-D Bonds, there is not on deposit with the Paying Agent sufficient moneys available to pay all principal of and interest on the Series 2003RF-D Bonds due on such date, the Paying Agent shall immediately notify the Series 2003RF-D Bond Insurer and US Bank National Association, New York, New York or its successor as its Fiscal Agent (the "Fiscal Agent") of the amount of such deficiency. If, by such Interest Payment Date, the City has not provided the amount of such

deficiency, the Bond Registrar shall simultaneously make available to the Series 2003RF-D Bond Insurer and to the Fiscal Agent the registration books for the Series 2003RF-D Bonds maintained by the Bond Registrar. In addition:

(1) the Paying Agent shall provide the Series 2003RF-D Bond Insurer with a list of the Bondholders entitled to receive principal or interest payments from the Series 2003RF-D Bond Insurer under the terms of the Series 2003RF-D Bond Insurance Policy and shall make arrangements for the Series 2003RF-D Bond Insurer and its Fiscal Agent (A) to mail checks or drafts to Bondholders entitled to receive full or partial interest payments from the Series 2003RF-D Bond Insurer and (B) to pay principal of the Series 2003RF-D Bonds surrendered to the Fiscal Agent by the Bondholders entitled to receive full or partial principal payments from the Series 2003RF-D Bond Insurer; and

(2) the Bond Registrar shall, at the time it makes the registration books available to the Series 2003RF-D Bond Insurer pursuant to (1) above, notify Bondholders entitled to receive the payment of principal of or interest on the Series 2003RF-D Bonds from the Series 2003RF-D Bond Insurer (A) as to the fact of such entitlement, (B) that the Series 2003RF-D Bond Insurer will remit to them all or part of the interest payments coming due subject to the terms of the Series 2003RF-D Bond Insurance Policy, (C) that, except as provided in paragraph (h) below, in the event that any Bondholder is entitled to receive full payment of principal from the Series 2003RF-D Bond Insurer, such Bondholder must tender his Series 2003RF-D Bonds with the instrument of transfer in the form provided on the Series 2003RF-D Bond executed in the name of the Series 2003RF-D Bond Insurer, and (D) that, except as provided in paragraph (h) below, in the event that such Bondholder is entitled to receive partial payment of principal from the Series 2003RF-D Bond Insurer, such Bondholder must tender his Series 2003RF-D Bond for payment first to the Paying Agent, which shall note on such Series 2003RF-D Bond the portion of principal paid by the Paying Agent, and then, with an acceptable form of assignment executed in the name of the Series 2003RF-D Bond Insurer, to the Fiscal Agent, which will then pay the unpaid portion of principal to the Bondholder subject to the terms of the Series 2003RF-D Bond Insurance Policy.

(g) In the event that the Bond Registrar has notice that any payment of principal of or interest on a Series 2003RF-D Bond has been recovered from a Bondholder pursuant to the United States Bankruptcy Code by a trustee in bankruptcy in accordance with the final, nonappealable order of a court having competent jurisdiction, the Bond Registrar shall, at the time it provides notice to the Series 2003RF-D Bond Insurer, notify all Bondholders that in the event that any Bondholder's payment is so recovered, such Bondholder will be entitled to payment from the Series 2003RF-D Bond Insurer to the extent of such recovery, and the Paying Agent shall furnish to the Series 2003RF-D Bond Insurer its records evidencing the payments of principal of and interest on the Series 2003RF-D Bonds which have been made by the Paying Agent and subsequently recovered from Bondholders, and the dates on which such payments were made.

(h) The Series 2003RF-D Bond Insurer shall, to the extent it makes payment of principal of or interest on the Series 2003RF-D Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Series 2003RF-D Bond

Insurance Policy and, to evidence such subrogation, (1) in the case of subrogation as to claims for past due interest, the Bond Registrar shall note the Series 2003RF-D Bond Insurer's rights as subrogee on the registration books maintained by the Bond Registrar upon receipt from the Series 2003RF-D Bond Insurer of proof of the payment of interest thereon to the Bondholders of such Series 2003RF-D Bonds and (2) in the case of subrogation as to claims for past due principal, the Bond Registrar shall note the Series 2003RF-D Bond Insurer's rights as subrogee on the registration books for the Series 2003RF-D Bonds maintained by the Bond Registrar upon receipt of proof of the payment of principal thereof to the Bondholders of such Series 2003RF-D Bonds. Notwithstanding anything in the Bond Ordinance or the Series 2003RF-D Bonds to the contrary, the Paying Agent shall make payment of such past due interest and past due principal directly to the Series 2003RF-D Bond Insurer to the extent that the Series 2003RF-D Bond Insurer is a subrogee with respect thereto.

(i) The notice addresses for the Series 2003RF-D Bond Insurer and the Fiscal Agent are:

Financial Guaranty Insurance Company
125 Park Avenue
New York, New York 10017
Attention: Risk Management

US Bank National Association
100 Wall Street, 19th Floor
New York, New York 10005
Attention: Corporate Trust Department

(j) Any successor Paying Agent or Bond Registrar for the Series 2003RF-D Bonds must have combined capital, surplus and undivided profits of at least \$50 million, unless the Series 2003RF-D Bond Insurer shall otherwise approve. No resignation or removal of the Paying Agent or Bond Registrar for the Series 2003RF-D Bonds shall become effective until a successor has been appointed and has accepted the duties of Paying Agent or Bond Registrar, as applicable. The Series 2003RF-D Bond Insurer shall be furnished with written notice of the resignation or removal of the Paying Agent or Bond Registrar and the appointment of any successor thereto.

(k) An investment must not only meet the requirements of the definition of "Permitted Investments" but must also be as described in Exhibit C hereto. Such investments shall be valued by the City as frequently as deemed necessary by the Series 2003RF-D Bond Insurer, but not less often than annually, at the market value thereof, exclusive of accrued interest. Deficiencies in the amount on deposit in any fund or account resulting from a decline in market value shall be restored no later than the succeeding valuation date. Investments purchased with funds on deposit in the Debt Service Reserve Account shall have a term to maturity of not greater than five years.

(l) Any Hedge Agreement entered into in connection with the issuance or incurrence by the City of variable rate indebtedness secured with the Series 2003RF-D Bonds by a parity lien on Net General Revenues shall meet the following guidelines and, for purposes of

calculating the Debt Service Requirement and establishing compliance with financial covenants under the Bond Ordinance shall be treated as follows:

(1) Long-Dated Swaps - Term or Weighted Average Maturity of Ten Years or More.

(A) The swap provider must be rated at least A-/A3 or better by Standard & Poor's and Moody's (the "Initial Rating Requirement").

(B) Assuming satisfaction of the Initial Rating Requirement, and thereafter as long as the long term indebtedness of the swap provider or the claims paying ability of the swap provider does not fall below Baa2 or BBB by either Standard & Poor's or Moody's (the "Minimum Rating Requirement"), all interest rate assumptions for purposes of establishing or demonstrating compliance with a financial covenant (e.g., rate covenant, reserve requirement, additional bonds test, asset transfer test, etc.) may be based upon the synthetic fixed interest rate under the swap.

Failure to maintain a swap provider holding the Minimum Rating Requirement or, if the City elects, failure to replace any such swap provider by another swap provider which holds the Initial Rating Requirement within ten business days, will have the following effects: (i) compliance with any required rate covenant for the preceding Fiscal Year will be based on the actual interest paid on the variable rate indebtedness during such Fiscal Year without regard to the swap; (ii) the amount required to be on deposit in the Debt Service Reserve Account will be recalculated based on the assumption set forth in (i) of the definition of "Debt Service Requirement" contained in the Bond Ordinance, calculated as of the date of original issuance of the variable rate indebtedness and any resulting deficiency will be restored within the same one year restoration period established in the Bond Ordinance for curing Debt Service. Reserve Account deficiencies; and (iii) any "forward-looking" financial covenant based directly or indirectly upon the Debt Service Requirement will be based on the assumption set forth in (i) of the definition of "Debt Service Requirement" contained in the Bond Ordinance, calculated as of the date the required calculation is made.

(2) Short Dated Swaps Having Term or Weighted Average Maturities of Ten Years or Less, Whereupon Related Bonds Automatically Convert to a Pre-Set Fixed Rate. The embedded swap provider must meet the Initial Rating Requirement. With respect to financial covenants, the synthetic fixed rate based on the swap may be utilized for purposes of demonstrating or establishing compliance with the applicable covenant. Failure to maintain a swap provider holding the Minimum Rating Requirement during the embedded swap period will require replacement of the swap provider within ten business days. Failure to replace will require re-calculation of the applicable financial covenants in the manner outlined in (1)(B).

Section 1.8 Reserve Account Credit Facility. The Debt Service Reserve Requirement for the Series 2003RF-D Bonds shall be satisfied by the Series 2003RF-D Reserve Policy (which constitutes a Reserve Account Credit Facility) to be issued by the Series 2003RF-D Reserve Policy Provider. The Mayor and Municipal Clerk are hereby authorized and directed to purchase the Series 2003RF-D Reserve Policy. The Mayor and the Municipal Clerk are hereby authorized and directed to execute, for and on behalf of the City, the Reserve Policy Agreement relating thereto, which Reserve Policy Agreement shall be in substantially the form attached as Exhibit B hereto and incorporated herein, with such changes as may be authorized by the Mayor. The execution and delivery of the Reserve Policy Agreement shall be conclusive evidence of the approval of any such changes. The following provisions shall apply with respect to the Series 2003RF-D Bonds so long as the Series 2003RF-D Reserve Policy is in full force and effect:

(a) The City shall repay any draws under the Series 2003RF-D Reserve Policy and pay all related reasonable expenses incurred by the Series 2003RF-D Reserve Policy Provider. Interest shall accrue and be payable on such draws and expenses from the date of payment by the 2003 Reserve Policy Provider at the Late Payment Rate. "Late Payment Rate" means the lesser of (a) the prime rate of Morgan Guaranty Trust Company of New York in effect from time to time plus 2 percent per annum and (b) the maximum rate permissible under applicable usury or other laws limiting interest rates payable by the City. Repayment of draws and payment of expenses and accrued interest thereon at the Late Payment Rate (collectively, "Policy Costs") shall commence in the first month following each draw, and each such monthly payment shall be in an amount at least equal to one-twelfth of the aggregate of Policy Costs related to such draw.

(b) If and to the extent cash or other investments have also been deposited therein, all cash and investments in the General Revenue Bond Subaccount of the Debt Service Reserve Account shall be liquidated for payment of debt service on the Series 2003RF-D Bonds before any drawing may be made on the Series 2003RF-D Reserve Policy or any other Debt Service Reserve Account Credit Facility. Payment of any Policy Costs shall be made prior to replenishment of any such cash amounts. Draws on all Reserve Account Credit Facilities (including the Series 2003RF-D Reserve Policy) on which there is available coverage shall be made on a pro rata basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the General Revenue Bond Subaccount of the Debt Service Reserve Account. Payment of Policy Costs and reimbursement of amounts with respect to other Reserve Account Credit Facilities shall be made on a pro rata basis prior to replenishment of any cash drawn from the General Revenue Bond Subaccount of the Debt Service Reserve Account.

(c) If the City shall fail to pay any Policy Costs in accordance with the requirements of subsection (a) hereof, the Series 2003RF-D Reserve Policy Provider shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under the Bond Ordinance other than (i) acceleration of the maturity of the Series 2003RF-D Bonds or (ii) remedies which would adversely affect owners of the Series 2003RF-D Bonds.

(d) The Bond Ordinance shall not be discharged until all Policy Costs owing to the 2003RF-D Reserve Policy Provider shall have been paid in full.

(e) The Issuer shall not issue Additional Bonds unless, in addition to the requirements of Section 502 of the Master Bond Ordinance, the application of the coverage tests provided in subsection 502(b)(1) and 601(b) results in at least 1.0 times coverage of all Policy Costs then due and owing. No Additional Bonds may be issued without the Series 2003RF-D Reserve Policy Provider's prior written consent if any Policy Costs are past due and owing. Upon the issuance of Additional Bonds secured by the General Revenue Bond Subaccount of the Debt Service Reserve Account, such General Revenue Bond Subaccount shall be fully funded at the Debt Service Reserve Requirement upon the issuance of such Additional Bonds, either with cash or Permitted Investments or by a Reserve Account Credit Facility acceptable to the Series 2003RF-D Reserve Policy Provider.

(f) The Paying Agent shall ascertain the necessity for a claim upon the Series 2003RF-D Reserve Policy and to provide notice to the Series 2003RF-D Reserve Policy Provider in accordance with the terms of the Series 2003RF-D Reserve Policy at least two business days prior to each date upon which interest or principal is due on the Series 2003RF-D Bonds.

(g) The Debt Service Reserve Account Surety Guidelines attached hereto as Exhibit D are hereby incorporated herein by reference.

Section 1.9 Debt Service Reserve Account. Pursuant to Section 402(c)(2) of the Master Bond Ordinance, the City hereby hereby renames the Series 2000 Subaccount of the Debt Service Reserve Account as the "General Revenue Bond Subaccount" and redesignates the General Revenue Bond Subaccount as the Debt Service Reserve Subaccount for the Series 2000 Bonds, the Series 2003 Bonds and the Series 2003RF-D Bonds, which common reserve subaccount is permitted as such bonds have a combined Debt Service Reserve Requirement. The subaccounts in the Debt Service Reserve Account established in connection with the Series 2003 Bonds and the Series 2003RF-D Subaccount of the Debt Service Reserve Account established in Section 4.1(b) of the Sixth Supplemental Bond Ordinance are hereby abolished. The Series 2003RF-D Reserve Policy shall be held for the credit of the General Revenue Bond Subaccount of the Debt Service Reserve Account for the benefit of the holders of the Series 2003RF-D Bonds.

Section 1.10 Application of Proceeds of Series 2003RF-D Bonds. From the proceeds derived from the sale of the Series 2003RF-D Bonds, including accrued interest, the following payments shall be made, simultaneously with the issuance and delivery of the Series 2003RF-D Bonds, to the extent and in the manner herein set forth:

(a) The accrued interest received on the Series 2003RF-D Bonds shall be deposited into the Series 2003RF-A/D Subaccount (as hereafter designated pursuant to Section 1.11) within the Interest Subaccount of the Payments Account of the City of Atlanta Sinking Fund and shall be used and applied toward the payment of interest on the Series 2003RF-D Bonds coming due on July 1, 2004.

(b) The sum of \$124,585,581.17 together with sinking fund accruals allocable to the Refunded Bonds in the amount of \$3,620,051.17, shall be deposited with the Escrow Agent and applied in accordance with the Escrow Deposit Agreement to the refunding of the Refunded Bonds.

(c) The sum of \$1,576,050.46 shall be paid to the Series 2003RF-D Bond Insurer as the premium on the 2003RF-D Bond Insurance Policy.

(d) The sum of \$201,059 shall be paid to the Series 2003RF-D Bond Insurer with respect to the Series 2003RF-D Reserve Policy.

(e) The sum of \$454,161.42 shall be deposited into the "Costs of Issuance Account-Series 2003RF-D Bonds" created in the Sixth Supplemental Bond Ordinance and applied to payment of the expenses incurred in connection with the issuance of the Series 2003RF-D Bonds.

Section 1.11 Redesignation of Subaccounts within the City of Atlanta Airport Sinking Fund. Pursuant to the Third Supplemental Bond Ordinance there were created in connection with the Series 2003 Bonds, the following subaccounts within the City of Atlanta Airport Sinking Fund:

(i) within the Interest Subaccount of the Payments Account of the City of Atlanta Airport Sinking Fund: (1) the Series 2003RF-A Subaccount, (2) the Series 2003RF-B Subaccount, (3) the Series 2003RF-C Subaccount, (4) Series 2003RF-D Subaccount, (5) the Series 2003RF-E Subaccount, and (6) the Series 2003RF-F Subaccount;

(ii) within the Principal Subaccount of the Payments Account of the City of Atlanta Airport Sinking Fund: (1) the Series 2003RF-A Subaccount, (2) the Series 2003RF-B Subaccount, and (3) the Series 2003RF-C Subaccount, (4) Series 2003RF-D Subaccount, (5) the Series 2003RF-E Subaccount, and (6) the Series 2003RF-F Subaccount;

(iii) within the Hedge Payments Subaccount of the Payments Account of the City of Atlanta Airport Sinking Fund: (1) the Series 2003RF-B Subaccount securing the payments under the 2003RF-B Swap Agreement and (2) the Series 2003RF-C Subaccount securing the payments under the 2003RF-C Swap Agreement, (3) the Series 2003RF-D Subaccount securing the payments under the 2003RF-D Swap Agreement, (4) the Series 2003RF-E Subaccount securing the payments under the 2003RF-E Swap Agreement, and (5) the Series 2003RF-F Subaccount securing the payments under the 2003RF-F Swap Agreement; and

(iv) within the Debt Service Reserve Account of the City of Atlanta Airport Sinking Fund: (1) the Series 2003RF-A Subaccount, (2) the Series 2003RF-B Subaccount, and (3) the Series 2003RF-C Subaccount, (4) Series 2003RF-D Subaccount, (5) the Series 2003RF-E Subaccount, and (6) the Series 2003RF-F Subaccount.

In accordance with Section 402(c) and the last paragraph of Section 402 of the Master Bond Ordinance and to more accurately reflect the accounts required by the Series 2003 Bonds, such subaccounts are abolished and the following subaccounts are hereby created with respect to the Series 2003 Bonds (including the Series 2003RF-D Bonds):

(i) within the Interest Subaccount of the Payments Account of the City of Atlanta Airport Sinking Fund: (1) the Series 2003RF-A/D Subaccount (relating to the Series 2003RF-A Bonds and the Series 2003RF-D Bonds) and (2) the Series 2003RF-B/C Subaccount (relating to the Series 2003RF-B-1, RF-B-2, RF-B-3, RF-C-1, RF-C-2 and RF-C-3 Bonds);

(ii) within the Principal Subaccount of the Payments Account of the City of Atlanta Airport Sinking Fund, the Series 2003RF Subaccount (relating to the Series 2003 Bonds (including the Series 2003RF-D Bonds) collectively); and

(iii) within the Hedge Payments Subaccount of the Payments Account of the City of Atlanta Airport Sinking Fund: (1) the Series 2003RF-1 Subaccount securing the payments under the Swap Agreement provided by Goldman Sachs Mitsui Marine Derivative Products, L.P., and (2) the Series 2003RF-2 Subaccount securing the payments under the Swap Agreement provided by JP Morgan Chase Bank.

As described in Section 1.9, there is hereby created the General Revenue Bond Subaccount of the Debt Service Reserve Account, which shall serve as the subaccount within the Debt Service Reserve Account for the Series 2000 Bonds, Series 2003 Bonds and Series 2003RF-D Bonds.

Section 1.12 Repealer. Any and all ordinances or resolutions or parts of ordinances or resolutions in conflict with this Supplemental Resolution, except the Master Bond Ordinance, this day adopted be and the same are hereby repealed, and this Supplemental Resolution shall be in full force and effect from and after its adoption.

Adopted December 8, 2003.

CITY OF ATLANTA

By: _____
Mayor

AUTHENTICATED:

Municipal Clerk

EXHIBIT A
WINNING BID FORM

| | | | |
|-------------------|----------|--------|-------|
| Upcoming Calendar | Overview | Result | Excel |
|-------------------|----------|--------|-------|

Lehman Brothers - New York, NY's Bid**Atlanta**
**\$123,395,000 Airport General Revenue
Refunding Bonds, Series 2003 RF-D**

For the aggregate principal amount of \$123,395,000.00, we will pay you \$132,400,889.70, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

| Maturity Date | Amount \$ | Coupon % |
|---------------|-----------|----------|
| 01/01/2007 | 3,000M | 5.0000 |
| 01/01/2008 | 9,185M | 5.0000 |
| 01/01/2009 | 9,450M | 5.0000 |
| 01/01/2010 | 9,720M | 5.0000 |
| 01/01/2011 | 10,020M | 5.2500 |
| 01/01/2012 | 10,360M | 5.2500 |
| 01/01/2013 | 10,740M | 5.2500 |
| 01/01/2014 | 11,155M | 5.2500 |
| 01/01/2015 | 11,595M | 5.2500 |
| 01/01/2016 | 12,105M | 5.2500 |
| 01/01/2017 | 12,705M | 5.2500 |
| 01/01/2018 | 13,330M | 4.3750 |
| 01/01/2019 | 30M | 4.7500 |

Total Interest Cost: \$58,233,088.54
 Premium: \$9,005,889.70
 Net Interest Cost: \$49,227,198.84
 TIC: 4.107751
 Time Last Bid Received On: 12/08/2003 10:59:07 EST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Bidder: Lehman Brothers, New York, NY
 Contact: Steve Milano
 Title: Managing Director
 Telephone: 212-528-1061
 Fax: 646-758-2068

Issuer Name: City of Atlanta

Company Name: _____

Accepted By: _____ Accepted By: _____

EXHIBIT B

FORM OF RESERVE POLICY AGREEMENT

DEBT SERVICE RESERVE FUND POLICY AGREEMENT

AGREEMENT, dated as of [Closing Date], by and between City of Atlanta, Georgia (the "Issuer") and Financial Guaranty Insurance Company (the "Insurer").

In consideration of the issuance by the Insurer of its Municipal Bond Debt Service Reserve Fund Policy (the "Reserve Policy") with respect to the Issuer's Airport General Revenue Refunding Bonds Series 2003RF-D, together with any parity obligations secured by the same debt service reserve fund (the "Bonds"), issued under the document authorizing the issuance of the Bonds, as amended and supplemented (the "Authorizing Document") and the Issuer's payment to the Insurer of the insurance premium for the Reserve Policy, the Insurer and the Issuer hereby covenant and agree as follows:

1. Upon any payment by the Insurer under the Reserve Policy, the Insurer shall furnish to the Issuer written instructions as to the manner in which repayment of amounts owed to the Insurer as a result of such payment shall be made.
2. The Issuer shall repay the Insurer the principal amount of any draws under the Reserve Policy and related reasonable expenses incurred by the Insurer and shall pay interest thereon at a rate equal to the lower of (i) the prime rate of Morgan Guaranty Trust Company of New York in effect from time to time plus 2% per annum and (ii) the highest rate permitted by law.
3. Repayment of draws, expenses and the interest thereon (collectively, "Policy Costs") shall enjoy the same priority as the obligation to maintain and refill the reserve fund.
4. Payment of Policy Costs shall commence in the first month following each draw, and each such monthly payment shall be in an amount at least equal to 1/12th of the aggregate of Policy Costs related to such draw.
5. Amounts paid to the Insurer shall be credited first to interest due under the Reserve Policy and hereunder, then to the expenses due hereunder and then to principal due under the Reserve Policy and hereunder. As and to the extent that payments are made to the Insurer on account of principal due under the Reserve Policy and hereunder, the coverage under the Reserve Policy will be increased by a like amount.
6. If the Issuer shall fail to repay any Policy Costs in accordance with the requirements of the Authorizing Document and this Agreement, the Insurer shall be entitled to exercise any and all remedies available at law or under the Authorizing Document other than (i) acceleration of the maturity of the Bonds or (ii) remedies which would adversely affect Bondholders.
7. The Issuer shall ascertain the necessity for a claim upon the Reserve Policy and provide notice to the Insurer in accordance with the terms of the Reserve Policy at least two business days prior to each date upon which interest or principal is due on the Bonds.
8. All cash and investments in the reserve fund shall be utilized for making required transfers to the debt service fund for payment of debt service on the Bonds before making any draws on any alternative credit instrument. Repayment of any Policy Costs shall be made prior to replenishment of any such cash amounts. Draws on all alternative credit instruments on which there is available coverage shall be made on a pro rata basis (calculated by reference to coverage then available under each such alternative credit instrument) after applying available cash and investments in the reserve fund. Repayment of Policy Costs and reimbursement of amounts with respect to alternative credit instruments shall be made on a

pro rata basis (calculated by reference to the coverage then available under each such alternative credit instrument) prior to replenishment of any cash draws on the reserve fund.

9. The Authorizing Document shall not be modified or amended without the prior written consent of the Insurer.
10. The Authorizing Document shall not be discharged until all Policy Costs owing to Financial Guaranty shall have been paid in full.
11. As security for the Issuer's repayment obligations with respect to the Reserve Policy, to the extent that the Authorizing Document pledges or grants a security interest in any revenues or collateral of the Issuer (or other obligor) as security for the Bonds, the Issuer hereby pledges and grants a security interest in all such revenues and collateral, subordinate only to that of the Bondholders. The Issuer shall evidence the Insurer's pledge or security interest by the filing of appropriate Uniform Commercial Code financing and continuation statements.
12. The rate covenant and the additional bonds test (in each case, if applicable) in the Authorizing Document shall be calculated with at least one times coverage of the Issuer's obligations with respect to repayment of Policy Costs then due and owing. Furthermore, no additional bonds may be issued under the Authorizing Document without the Insurer's prior written consent if any Policy Costs are past due and owing to the Insurer.
13. The Issuer shall provide Financial Guaranty with the following information:
 - (a) Notice of any drawing upon or deficiency due to market fluctuation in the amount, if any, on deposit, in the debt service reserve fund;
 - (b) Notice of any material events pursuant to Rule 15c2-12 under the Securities Exchange Act of 1934;
 - (c) Notice of the redemption, other than mandatory sinking fund redemption, of any of the Bonds, or of any advance refunding of the Bonds, including the principal amount, maturities and CUSIP numbers thereof; and
 - (d) Such additional information as Financial Guaranty may reasonably request from time to time.
14. Notices to the Insurer shall be sent to the following address (or such other address as the Insurer may designate in writing): Financial Guaranty Insurance Company, 125 Park Avenue, New York, New York 10017, Attention: Risk Management.
15. This Agreement may be executed in counterparts, each of which alone and all of which together shall be deemed one original Agreement.
16. If any one or more of the agreements, provisions or terms of this Agreement shall be for any reason whatsoever held invalid, then such agreements, provisions or terms shall be deemed severable from the remaining agreements, provisions or terms of this Agreement and shall in no way affect the validity or enforceability of the other provisions of this Agreement.
17. All capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Authorizing Document.

18. This Agreement and the rights and obligations of the parties of the Agreement shall be governed by and construed and interpreted in accordance with Georgia law.

IN WITNESS WHEREOF, the parties hereto have set their hands as of the date written above.

CITY OF ATLANTA, GEORGIA

By: _____
Name: _____
Title: _____

FINANCIAL GUARANTY INSURANCE
COMPANY

By: _____
Name: _____
Title: _____

EXHIBIT C

PERMITTED INVESTMENT GUIDELINES

Direct obligations of the United States of America and securities fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, provided, that the full faith and credit of the United States of America must be pledged to any such direct obligation or guarantee ("Direct Obligations").

Direct obligations and fully guaranteed certificates of beneficial interest of the Export-Import Bank of the United States; consolidated debt obligations and letter of credit-backed issues of the Federal Home Loan Banks; participation certificates and senior debt obligations of the Federal Home Loan Mortgage Corporation ("FHLMCs"); debentures of the Federal Housing Administration; mortgage backed securities (except stripped mortgage securities which are valued greater than par on the portion of unpaid principal) and senior debt obligations of the Federal National Mortgage Association ("FNMAs"); participation certificates of the General Services Administration; guaranteed mortgage-backed securities and guaranteed participation certificates of the Government National Mortgage Association ("GNMAs"); guaranteed participation certificates and guaranteed pool certificates of the Small Business Administration; debt obligations and letter of credit-backed issues of the Student Loan Marketing Association; local authority bonds of the U.S. Department of Housing & Urban Development; guaranteed Title XI financings of the U.S. Maritime Administration; guaranteed transit bonds of the Washington Metropolitan Area Transit Authority; Resolution Funding Corporation securities.

Direct obligations of any state of the United States of America or any subdivision or agency thereof whose unsecured, uninsured and unguaranteed general obligation debt is rated, at the time of purchase, "A" or better by Moody's Investors Service and "A" or better by Standard & Poor's Corporation, or any obligation fully and unconditionally guaranteed by any state, subdivision or agency whose unsecured, uninsured and unguaranteed general obligation debt is rated, at the time of purchase, "A" or better by Moody's Investors Service and "A" or better by Standard & Poor's Corporation.

Commercial paper (having original maturities of not more than 270 days) rated, at the time of purchase, "P-1" by Moody's Investors Service and "A-1" or better by Standard & Poor's Corporation.

Federal funds, unsecured certificates of deposit, time deposits or bankers acceptances (in each case having maturities of not more than 365 days) of any domestic bank including a branch office of a foreign bank which branch office is located in the United States, provided legal opinions are received to the effect that full and timely payment of such deposit or similar obligation is enforceable against the principal office or any branch of such bank, which, at the time of purchase, has a short-term "Bank Deposit" rating of "P-1" by Moody's and a "Short-Term CD" rating of "A-1" or better by S&P.

Deposits of any bank or savings and loan association which has combined capital, surplus and undivided profits of not less than \$3 million, provided such deposits are continuously and

fully insured by the Bank Insurance Fund or the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation.

Investments in money-market funds rated “AAAm” or “AAAm-G” by Standard & Poor’s Corporation.

Repurchase agreements collateralized by Direct Obligations, GNMA’s, FNMA’s or FHLMC’s with any registered broker/dealer subject to the Securities Investors’ Protection Corporation jurisdiction or any commercial bank insured by the FDIC, if such broker/dealer or bank has an uninsured, unsecured and unguaranteed obligation rated “P-1” or “A-1” or better by Moody’s Investors Service, and “A-1” or “A-” or better by Standard & Poor’s Corporation, provided:

- 1 A master repurchase agreement or specific written repurchase agreement governs the transaction;
- 2 The securities are held free and clear of any lien by the Depository or Paying Agent or an independent third party acting solely as agent (“Agent”) for the Depository or Paying Agent, and such third party is (i) a Federal Reserve Bank, (ii) a bank which is a member of the Federal Deposit Insurance Corporation and which has combined capital, surplus and undivided profits of not less than \$50 million or (iii) a bank approved in writing for such purpose by Financial Guaranty Insurance Company, and the Depository or Paying Agent shall have received written confirmation from such third party that it holds such securities, free and clear of any lien, as agent for the Depository or Paying Agent;
- 3 A perfected, first security interest under the Uniform Commercial Code, or book entry procedures prescribed at 31 C.F.R. 306.1 *et seq.* or 31 C.F.R. 350.0 *et seq.* in such securities is created for the benefit of the Depository or Paying Agent;
- 4 The Depository, the Paying Agent or the Agent will value the collateral securities no less frequently than weekly and will liquidate the collateral securities if any deficiency in the required collateral percentage is not restored within two business days of such valuation; and
- 5 The fair market value of the securities in relation to the amount of the repurchase obligation, including principal and interest, is equal to at least 103%.

Investment agreements, the issuer, form and substance of which are specifically approved by the Bond Insurer.

EXHIBIT D

DEBT SERVICE RESERVE ACCOUNT SURETY GUIDELINES

The following requirements must be met in the event the Debt Service Reserve Requirement with respect to Bonds issued under the Bond Ordinance and secured by the General Revenue Bond Subaccount of the Debt Service Reserve Account is fulfilled by a deposit of a credit instrument (other than a credit instrument issued by the Series 2003RF-D Reserve Policy Provider) in lieu of cash:

1. A surety bond or insurance policy issued to the entity serving as trustee, sinking fund custodian or paying agent (the "Fiduciary"), as agent of the bondholders, by a company licensed to issue an insurance policy guaranteeing the timely payment of debt service on the Bonds (a "municipal bond insurer") may be deposited in the General Revenue Bond Subaccount of the Debt Service Reserve Account to meet the Debt Service Reserve Requirement if the claims paying ability of the issuer thereof shall be rated "AAA" or "Aaa" by S&P or Moody's, respectively.
2. A surety bond or insurance policy issued to the Fiduciary, as agent of the bondholders, by an entity other than a municipal bond insurer may be deposited in the General Revenue Bond Subaccount of the Debt Service Reserve Account to meet the Debt Service Reserve Requirement if the form and substance of such instrument and the issuer thereof shall be approved by the Series 2003RF-D Reserve Policy Provider.
3. An unconditional irrevocable letter of credit issued to the Fiduciary, as agent of the bondholders, by a bank may be deposited in the General Revenue Bond Subaccount of the Debt Service Reserve Account to meet the Debt Reserve Reserve Requirement of the Bonds secured by such subaccount if the issuer thereof is rated at least "AA" by S&P. The letter of credit shall be payable in one or more draws upon presentation by the beneficiary of a sight draft accompanied by its certificate that it then holds insufficient funds to make a required payment of principal or interest on the bonds. The draws shall be payable within two days of presentation of the sight draft. The letter of credit shall be for a term of not less than three years. The issuer of the letter of credit shall be required to notify the City and the Fiduciary, not later than 30 months prior to the stated expiration date of the letter of credit, as to whether such expiration date shall be extended, and if so, shall indicate the new expiration date.
4. If such notice indicates that the expiration date shall not be extended, the City shall deposit in the General Revenue Bond Subaccount of the Debt Service Reserve Account an amount sufficient to cause the cash or permitted investments on deposit in the General Revenue Bond Subaccount of the Debt Service Reserve Account together with any other qualifying credit instruments, to equal the Debt Service Reserve Requirement on all outstanding Bonds secured by such subaccount, such deposit to be paid in equal installments on at least a semi-annual basis over the remaining term of the letter of credit, unless the credit instrument in the General Revenue Bond Subaccount of the Debt Service Reserve Account is replaced by a credit instrument meeting the requirements in any of 1-3 above. The letter of credit shall permit a draw in full not less than two weeks prior to the expiration or termination of such letter of credit if the letter of credit has not been replaced or renewed. The Fiduciary shall then draw upon the letter of credit prior to its expiration or termination unless an acceptable replacement is in place or the General Revenue Bond Subaccount of the Debt Service Reserve Account is fully funded in its required amount.
5. The use of any credit instrument for deposit to the General Revenue Bond Subaccount of the Debt Service Reserve Account pursuant to this Paragraph shall be subject to receipt of an opinion of counsel acceptable to the Series 2003RF-D Reserve Policy Provider and in form and substance satisfactory to the Series 2003RF-D Reserve Policy Provider as to the due authorization,

execution, delivery and enforceability of such instrument in accordance with its terms, subject to applicable laws affecting creditors' rights generally, and, in the event the issuer of such credit instrument is not a domestic entity, an opinion of foreign counsel in form and substance satisfactory to the Series 2003RF-D Reserve Policy Provider. In addition, the use of an irrevocable letter of credit shall be subject to receipt of an opinion of counsel acceptable to the Series 2003RF-D Reserve Policy Provider and in form and substance satisfactory to the Series 2003RF-D Reserve Policy Provider to the effect that payments under such letter of credit would not constitute avoidable preferences under Section 547 of the U.S. Bankruptcy Code or similar state laws with avoidable preference provisions in the event of the filing of a petition for relief under the U.S. Bankruptcy Code or similar state laws by or against the issuer of the bonds (or any other account party under the letter of credit).

6. The obligation to reimburse the issuer of a credit instrument credited to the General Revenue Bond Subaccount of the Debt Service Reserve Account for any fees, expenses, claims or draws upon such credit instrument shall be subordinate to the payment of debt service on the bonds. The right of the issuer of a credit instrument with respect to the General Revenue Bond Subaccount of the Debt Service Reserve Account to payment or reimbursement of its fees and expenses shall be subordinated to cash replenishment of the General Revenue Bond Subaccount of the Debt Service Reserve Account, and, subject to the second succeeding sentence, its right to reimbursement for claims or draws shall be on a parity with the cash replenishment of the General Revenue Bond Subaccount of the Debt Service Reserve Account. The credit instrument with respect to the General Revenue Bond Subaccount of the Debt Service Reserve Account shall provide for a revolving feature under which the amount available thereunder will be reinstated to the extent of any reimbursement of draws or claims paid. If the revolving feature is suspended or terminated for any reason, the right of the issuer of the credit instrument with respect to the General Revenue Bond Subaccount of the Debt Service Reserve Account to reimbursement will be further subordinated to cash replenishment of the General Revenue Bond Subaccount of the Debt Service Reserve Account to an amount equal to the difference between the full original amount available under such credit instrument and the amount then available for further draws or claims. If (a) the issuer of a credit instrument with respect to the General Revenue Bond Subaccount of the Debt Service Reserve Account becomes insolvent or (b) the issuer of such credit instrument defaults in its payment obligations thereunder or (c) the claims-paying ability of the issuer of the insurance policy or surety bond falls below a S&P "AAA" or a Moody's "Aaa" or (d) the rating of the issuer of the letter of credit falls below a S&P "AA", the obligation to reimburse the issuer of the credit instrument with respect to the General Revenue Bond Subaccount of the Debt Service Reserve Account shall be subordinate to the cash replenishment of the General Revenue Bond Subaccount of the Debt Service Reserve Account.
7. If (a) the revolving reinstatement feature described in the preceding paragraph is suspended or terminated or (b) the rating of the claims paying ability of the issuer of the surety bond or insurance policy falls below a S&P "AAA" or a Moody's "Aaa" or (c) the rating of the issuer of the letter of credit falls below a S&P "AA", the Issuer shall either (i) deposit into the General Revenue Bond Subaccount of the Debt Service Reserve Account an amount sufficient to cause the cash or permitted investments on deposit in the General Revenue Bond Subaccount of the Debt Service Reserve Account to equal the Debt Service Reserve Requirement on all outstanding Bonds secured by such subaccount, such amount to be paid over the ensuing five years in equal installments deposited at least semi-annually or (ii) replace such instrument with a surety bond, insurance policy or letter of credit meeting the requirements in any of 1-3 above within six months of such occurrence. In the event (a) the rating of the claims-paying ability of the issuer of the surety bond or insurance policy falls below "A" or (b) the rating of the issuer of the letter of credit falls below "A" or (c) the issuer of the credit instrument with respect to the General Revenue Bond Subaccount of the Debt Service Reserve Account defaults in its payment obligations or (d) the issuer of the credit instrument with respect to the General Revenue Bond Subaccount of the Debt Service Reserve Account becomes insolvent, the City shall either (i)

deposit into the General Revenue Bond Subaccount of the Debt Service Reserve Account an amount sufficient to cause the cash or permitted investments on deposit in the the General Revenue Bond Subaccount of the Debt Service Reserve Account to equal to Debt Service Reserve Requirement on all outstanding Bonds secured by such subaccount, such amount to be paid over the ensuing year in equal installments on at least a monthly basis or (ii) replace such instrument with a surety bond, insurance policy or letter of credit meeting the requirements in any of 1-3 above within six months of such occurrence.

8. Where applicable, the amount available for draws or claims under the credit instrument with respect to the General Revenue Bond Subaccount of the Debt Service Reserve Account may be reduced by the amount of cash or permitted investments deposited in the General Revenue Bond Subaccount of the Debt Service Reserve Account pursuant to clause (i) of the preceding subparagraph 6.
9. If the City chooses the above described alternatives to a cash-funding, any amounts owed by the City to the issuer of such credit instrument as a result of a draw thereon or a claim thereunder, as appropriate, shall be included in any calculation of debt service requirements required to be made under the Bond Ordinance, *e.g.*, rate covenant or additional bonds test.
10. The Fiduciary shall ascertain the necessity for a claim or draw upon the credit instrument with respect to the General Revenue Bond Subaccount of the Debt Service Reserve Account and to provide notice to the issuer of the credit instrument with respect to the General Revenue Bond Subaccount of the Debt Service Reserve Account in accordance with its terms not later than three days (or such longer period as may be necessary depending on the permitted time period for honoring a draw under the credit instrument with respect to the General Revenue Bond Subaccount of the Debt Service Reserve Account) prior to each interest payment date.
11. Cash on deposit in the General Revenue Bond Subaccount of the Debt Service Reserve Account Reserve Fund shall be used (or investments purchased with such cash shall be liquidated and the proceeds applied as required) prior to any drawing on any credit instrument with respect to the General Revenue Bond Subaccount of the Debt Service Reserve Account. If and to the extent that more than one credit instrument is deposited in the General Revenue Bond Subaccount of the Debt Service Reserve Account, drawings thereunder and repayments of costs associated therewith shall be made on a pro rata basis, calculated by reference to the maximum amounts available thereunder.



CERTIFICATION

GEORGIA, FULTON COUNTY

I, Rhonda Dauphin Johnson, Municipal Clerk of the City of Atlanta, **DO HEREBY CERTIFY** that the foregoing pages constitute a true and correct copy of this Resolution adopted by the City Council of the City of Atlanta at an open public meeting duly called and lawfully assembled at 1 p.m. on December 8, 2003, authorizing the issuance of \$118,270,000 aggregate principal amount of City of Atlanta Airport General Revenue Refunding Bonds, Series 2003RF-D, the original of such Resolution being duly recorded in the Minute Book of the City, which Minute Book is in my custody and control.

WITNESS my hand and the official seal of the City of Atlanta this the ____ day of December, 2003.

Municipal Clerk
City of Atlanta

(S E A L)

A true copy,


Deputy Clerk

ADOPTED by the Council
APPROVED by the Mayor

DEC 08, 2003
DEC 11, 2003

RCS# 5281
12/08/03
1:45 PM

Atlanta City Council

Regular Session

03-R-2162

Bond Series 2003RF-D

Adopt on Sub

YEAS: 9
NAYS: 1
ABSTENTIONS: 0
NOT VOTING: 1
EXCUSED: 0
ABSENT 5

| | | | |
|-----------|-------------|-----------|------------|
| B Smith | N Archibong | Y Moore | B Mitchell |
| B Starnes | Y Fauver | Y Martin | Y Norwood |
| Y Young | Y Shook | Y Maddox | B Willis |
| Y Winslow | Y Muller | B Boazman | NV Woolard |

03-R-2162

RCS# 5260
12/02/03
2:24 AM

Atlanta City Council

Regular Session

03-R-2162

SPECIFY PRIN AMOUNT TO MATURE EACH YR
SERIES 2003RF-D BONDS 6TH SUPP BOND ORD
TABLE

YEAS: 14
NAYS: 0
ABSTENTIONS: 0
NOT VOTING: 2
EXCUSED: 0
ABSENT 0

| | | | |
|-----------|-------------|-----------|------------|
| Y Smith | Y Archibong | Y Moore | Y Mitchell |
| Y Starnes | Y Fauver | Y Martin | NV Norwood |
| Y Young | Y Shook | Y Maddox | Y Willis |
| Y Winslow | Y Muller | Y Boazman | NV Woolard |

03-R-2162

(Do 03 w/ Rev. 2.1 for 2 line)

A RESOLUTION
BY THE FINANCE/EXECUTIVE COMMITTEE

A RESOLUTION TO SPECIFY THE PRINCIPAL AMOUNT TO MATURE IN EACH YEAR AND THE OPTIONAL AND MANDATORY REDEMPTION PROVISIONS OF THE SERIES 2003R-D BONDS BEING ISSUED PURSUANT TO THE SIXTH SUPPLEMENTAL BOND ORDINANCE ADOPTED ON NOVEMBER 17, 2003 (03-0-1871); TO DECLARE THE RESULT OF THE PUBLIC OFFERING OF SAID BONDS; TO AUTHORIZE, RATIFY AND REAFFIRM THE ACCEPTANCE OF THE BEST BID TO PURCHASE SAID BONDS; TO PROVIDE FOR BOND INSURANCE AND RESERVE ACCOUNT CREDIT POLICY; TO PROVIDE FOR THE DELIVERY OF THE SERIES 2003R-D BONDS; TO PROVIDE FOR THE APPLICATION OF THE PROCEEDS OF THE SERIES 2003R-D BONDS; AND FOR OTHER PURPOSES.

2003 11 03 10 00 AM

ADOPTED BY
ROSALIND RUBENS NEWELL,
DEPUTY CITY ATTORNEY

DEC 08 2003

COUNCIL

- ☐ CONSENT REFER
- ☐ REGULAR REPORT REFER
- ☐ ADVERTISE & REFER
- ☐ 1st ADOPT 2nd READ & REFER
- ☐ PERSONAL PAPER REFER

Date Referred

Referred To:

Date Referred

Referred To:

Date Referred

Referred To:

First Reading

Committee _____
Date _____
Chair _____
Referred To _____

Committee

Date

Chair

Action

Fav, Adv, Hold (see rev. side)

Other

Members

Refer To

Refer To

Committee

Date

Chair

Action

Fav, Adv, Hold (see rev. side)

Other

Members

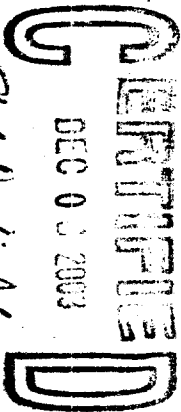
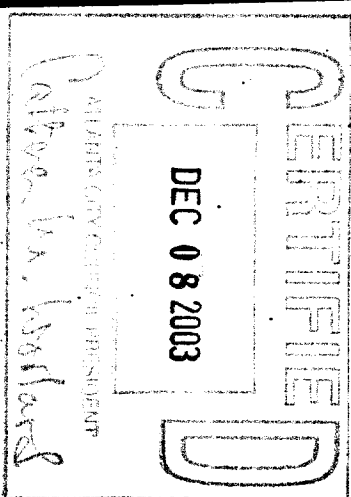
Refer To

Refer To

- FINAL COUNCIL ACTION
- ☐ 2nd
 - ☐ 1st & 2nd
 - ☐ 3rd
 - ☐ Consent
 - ☐ V Vote
 - ☒ RC Vote

CERTIFIED

DEC 08 2003



Rosalind Rubens Newell
MUNICIPAL CLERK

MAYOR'S ACTION

DEC 11 2003

MAYOR